DOCUMENT RESUME

ED 463 769 IR 058 452

TITLE	State of California Library Services and Technology Act (LSTA) Information Guide for Use in Applying for LSTA Grants.
INSTITUTION	California State Library, Sacramento.
PUB DATE	2001-00-00
NOTE	11p.
AVAILABLE FROM	For full text: http://www.library.ca.gov/html/lsta_app.html.
PUB TYPE	Guides - Non-Classroom (055) -- Reports - Descriptive (141)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Federal Aid; *Financial Support; *Grants; Library Development; *Library Funding; *Proposal Writing; Public Libraries; *Resource Allocation
IDENTIFIERS	*California State Library; Library Services and Technology Act 1996

ABSTRACT

This document provides information on applying for LSTA grants. LSTA is administered at the federal level by an independent Institute of Museum and Library Services, and at the state level by the California State Library. This guide includes a brief introduction followed by general information on: administration; eligibility; procedure; duration; planning; finance; indirect cost; grant award/certification; justification of expenditure; local and in-kind contributions; merit and cost of living increases; adjustment provision; carry-over and continuation; reporting and statistics; equipment inventories; personal memberships and travel; requirements for documents; copyright and royalties; publicity; interlibrary loan; inter-library cooperation; bibliographic access; statewide database contribution; project close; unspent funds; audits; and special policies for State of California institutions. The California State Advisory Council on Libraries member roster for June 2001 is provided at the end of the document. (AEF)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 463 769

STATE OF CALIFORNIA

LIBRARY SERVICES AND TECHNOLOGY ACT (LSTA)

INFORMATION GUIDE

FOR USE IN APPLYING FOR LSTA GRANTS

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
This document has been reproduced as received from the person or organization originating it.
Minor changes have been made to improve reproduction quality.
Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

CALIFORNIA STATE LIBRARY
SACRAMENTO, CALIFORNIA
2001

DR. KEVIN STARR, STATE LIBRARIAN OF CALIFORNIA

IR058452

BEST COPY AVAILABLE

Contents

Section		Page
1.	Introduction	3
2.	Administration	3
3.	Eligibility	3
4.	Procedure	3
5.	Duration	4
6.	Planning	4
7.	Financial requirements	4
8.	Indirect cost	5
9.	Grant award/certification	5
10.	Justification of expenditure	5
11.	Local and in-kind contributions	6
12.	Merit and cost of living increases	6
13.	Adjustment provision	6
14.	Carryover and continuation	6
15.	Reporting and statistics	6
16.	Equipment inventories	7
17.	Personal memberships and travel	7
18.	Requirements for documents	7
19.	Copyright and royalties	7
20.	Publicity	7
21.	Interlibrary loan	8
22.	Inter-library cooperation	8
23.	Bibliographic access	8
24.	Statewide database contribution	8
25.	Deposit at State Library	9
26.	Project close	9
27.	Unspent funds	9
28.	Audits	9
29.	Special policies for State institutions	9
California State Advisory Council on Libraries		10

GENERAL INFORMATION - APPLYING FOR LSTA GRANTS

1. **Introduction.** The Library Services and Technology Act (LSTA), a part of the Museum and Library Services Act of 1996 (Public Law 104-208; 20 USC 961 *et seq.*) was enacted October 1, 1996, to replace the Library Services and Construction Act (LSCA), which expired September 30, 1996. The LSTA consolidated several federal library services programs. LSTA is administered at the federal level by an independent Institute of Museum and Library Services and at the state level by the California State Library; the program derives from a federal appropriation but is intended for assistance to local libraries. The bulk of the funds are allocated to state library agencies to develop local library services and statewide library services, stimulate and promote resource sharing, encourage technological innovation, enhance electronic networking and linkages among libraries of all types, and improve services to the underserved or those persons whose needs are not met by traditional library service.

2. **Administration.** The Act is administered in this state by the State Librarian of California. These guidelines cover the activities and procedures that the State Library will employ to administer the Act each year using the grant funds. Awards of funds are made by the State Librarian to project applications submitted in open competition on an annual schedule. Citizen input and advice on the state program are provided by the California State Advisory Council on Libraries and other interested persons.

3. **Eligibility.** Any activity funded through the state-based program may involve academic, public, research, school, governmental agency libraries and information centers, and special and corporate libraries. "Public libraries" includes public library cooperative systems, Library of California regional network bodies, and State institutional libraries. For further details see "Eligibility to Apply for LSTA Grants," included with the packet. A prospective applicant unsure of eligibility to apply is strongly advised to contact the LSTA Coordinator before developing a project.

4. **Procedure**. The State Library conducts an annual cycle of grant processing. An announcement of the availability of LSTA funds is issued in the summer of the year preceding the start of the grant period. Interested applicants must consult the State Library Web site for instructions and application materials or contact the State Library to request that a packet be sent. The cycle involves two steps: a brief project *proposal* expressing a concept, followed by a fully-developed grant *application*. Applicants should develop their project ideas and file the proposal (LSTA Form 5) in January of the year the grant starts (see the LSTA Planning Calendar for exact date).

Consulting assistance is available from the State Library. Applicants are strongly encouraged, prior to developing a proposal, to contact a State Library consultant who can provide valuable program and technical assistance. In the majority of cases projects prepared with such assistance are more competitive. (A list of the Library Development Services consultants is enclosed with this Guide.) It is advisable to make contact before November 1 preceding the Proposal deadline due to time pressures that multiply in November/December. Following review by the State Librarian in consultation with the California State Advisory Council on Libraries, acknowledgment of the proposal will be made in April/May of the year the grant starts, together with advice on the qualification and competitiveness of the proposed project and suggestions for improvement if applicable.

At this time a consultant from the State Library will be assigned to advise each applicant in developing the project. An application may be submitted only if a proposal has previously been submitted in the same LSTA annual cycle. Applications are normally expected from jurisdictions that receive encouragement on the competitiveness of their proposals. However, an application may be submitted and will be considered for a proposal that was not recommended for completion. Again, at this second stage of project development, contact with a State Library consultant can provide valuable program and

technical assistance and is strongly encouraged.

Completed applications (LSTA Form 6) are to be filed in June of the year the grant starts (see the LSTA Planning Calendar for exact date). Awards for successful projects will be announced in late summer. Upon approval by the State Librarian, project award letters will be issued in August or September before the October 1 start date, contingent upon passage of the State budget expected by July 1. The State Librarian's grant award letter is the official approval and is an amendment to the grant application. In the letter, the State Librarian may require or authorize changes in the project as outlined in the application. If the award is accepted by the applicant, conditions in the State Librarian's letter are binding and must be followed in the implementation and conduct of the project. The award letter provides the approved budget, which must be the basis for all financial expenditure reports.

5. **Duration.** Normally an LSTA project runs from October to the following September, but work may begin with the date of grant award. All project funds must be expended by the following September 30, or returned. LSTA cannot pay for expenses incurred before the signing of an award letter.

6. **Planning.** Planning for services that meet local needs, including local needs assessment, is the responsibility of applicant libraries and institutions and should be an integral part of their regular management process. **This planning, including the needs assessment, should be conducted well in advance of a grant proposal, and in any case must be conducted prior to submitting an application for federal funds. Project applications lacking an acceptable needs assessment will not receive a favorable review.**

A proposed project must address one or more of the state-based purposes of the LSTA, spelled out in the five-year State Plan for Use of LSTA, available from the State Library.

Some local jurisdictions may require that the project, subject to funding, be included in the local budget process or obtain approval by a governing body. Many projects need to include an advisory board or steering committee. Applicants should create this body and involve the members in preparation of the grant concept before the proposal is filed.

See the Guidelines for Developing LSTA Grant Proposals for further information on criteria for eligibility of applicants and about qualification and competitiveness of LSTA projects, included in the application packet.

7. **Financial.** Separate accounting must be maintained for each federal project to ensure responsible project management, submission of timely and accurate financial reports, and ability to furnish audit data. Consolidated grant award documents are addressed to the head of the agency responsible for the project. Warrants will made out to the same agency. Recipients which have a fiscal agent will be responsible for seeing that the documents and funds are properly deposited with the fiscal agent. A project is considered complete when a final narrative summary report and a final financial expenditure statement are accepted by the State Library. Financial records for LSTA projects must be retained by the project applicant for a period of five years from the date of the project's completion.

Ten percent (10%) of the **total grant award** is normally withheld pending project completion and submission of required reports, along with return of unexpended funds. The 10% amount is payable only if the grant recipient fulfills all project reporting requirements and returns all unspent grant funds by the time specified in the LSTA Reporting Materials packet (sent with the grant award letter). Failure to provide timely reports is a serious breach of a grant recipient's administrative duty under the grant program, which may result in federal audit exceptions against the state and the loss of LSTA funds. The deadline for return of unexpended funds to the State Library is November 15 of the year during which the grant ends, with

final liquidation to occur not later than December 15. Requests for extension are not allowable and will not be considered beyond that date, in order for the State Library to comply with federal regulations.

8. **Indirect cost**. Indirect cost to support administration required by the fiscal agent or jurisdiction for handling funds and operating the project, up to a maximum rate of 10% of the actual LSTA portion of a program award, may be requested by applicants. This policy applies to all types of libraries. Generally, to qualify for indirect portion of a grant award applicants must have an approved cost allocation plan on file with the Secretary of State that is available to the State Library. The cost allocation plan should be based on the allowable costs structure indicated in the applicable U.S. Government Office of Management and Budget circulars. Applicants needing advice on how to comply with this policy should consult the State Library's LSTA Coordinator.

9. **Grant award/certification.** The grant award/certification accompanies the award letter to successful applicants. As outlined above, the State Librarian's award letter is the official notice of approval and is an attachment to the grant award/certification. The grant recipient is responsible for distributing copies of the LSTA Reporting Materials packet enclosed with the grant award letter, to responsible parties such as the project manager (who may not be in the same department as the recipient or fiscal agent).

A financial claim form accompanies the letter and grant/award certification. The applicant's signature on and return of the claim form for payment constitutes acceptance of the award and of all conditions stipulated for conduct of the project. Funds are normally paid upon receipt of claim forms and required reporting. Payment usually is made in three parts: 1) 45% upon first claim in the fall, 2) 45% in the second quarter, and 3) 10% after receipt and acceptance of all required project reports. The first payment is made upon receipt of the first claim form. A second claim form is sent following receipt and acceptance of the project's first quarterly report. The second payment of 45% is sent upon receipt of the second claim form. If the grant recipient has fulfilled all project reporting requirements and returned all unspent grant funds by the time specified in the grant program instructions, the third and final financial payment for the remaining 10% is issued when all reports and any unspent funds have been received by the State Library.

10. **Justification of expenditure.** All budgeted expenditures must be justified by a description of the program or service in the project application. Generally, purchase of library materials is not an approved use of LSTA funds. Purchase of standard office furniture, supplies, and equipment such as desks, shelving and office machines also ranks very low in priority. While LSTA can assist with specialized staff, additional operating expenses, and hard-to-obtain equipment to demonstrate a service, the local jurisdiction must provide standard materials and equipment.

LSTA allows for paying of certain costs for libraries to acquire or share computer systems and telecommunications technologies. Projects requesting such funding must reflect the intention of making local resources available for sharing, for establishing consortia or similar cooperative mechanisms, or for promoting library services that employ electronic networking. Matching contributions (non-grant funds or in-kind or both) are required. However, projects that are mainly a local, ongoing or operational responsibility, and requests to acquire basic library automation systems, will not be reviewed favorably.

11. **Local and in-kind contributions.** Generally, local support by project recipients and participants is desirable and may take the form of financial contributions, other funding, in-kind services, or all of these. Statements of in-kind contributions must be realistic and appropriate to the project. No more than five percent (5%) of the time of a CLSA system or Library of California regional network paid coordinator/director may be credited as an in-kind contribution to the project without explanation of what funds will be used to replace that greater portion of time lost to system administration.

12. **Merit and cost of living increases.** Locally authorized merit increases for project staff members should be anticipated and budgeted for in the project budget where applicable. Cost of living adjustments are not automatically awarded to projects that retain the same staff beyond an initial grant period.

13. **Adjustment provision.** The grant award/certification includes a provision which allows recipients to respond to local or unforeseen developments by increasing approved budget categories by an amount of up to ten percent (10%) of the line item category into which funds are proposed to be shifted, during the period of the award only, as long as other categories are decreased by a corresponding total amount. Funds may not be moved into any category for which no funding was approved without permission. Funds may be moved within a category in any amount of the budget allotted for that category. The above adjustments must be made only after consultation with and verbal approval by the assigned State Library consultant. Any budget change not specifically allowed under these provisions may only be made after receiving prior written permission from the State Librarian, i.e., budget shifts between categories in excess of 10% of the target category. A request for excess modification is made on the grant award modification form (LSTA Form 4), available from the State Library and included in the reporting packet.

ALL BUDGET MODIFICATIONS MUST BE COMPLETED PRIOR TO SEPTEMBER 30 OF THE GRANT YEAR. If a change in budget category is identified after September 30, an LSTA 4 should not be submitted. Approval will not be authorized after that date.

14. **Carryover and continuation.** Carryover of LSTA funds unobligated at project end (September 30) is not permitted. Requests to use unexpended or unencumbered LSTA funds beyond the prescribed time period of the project cannot be considered. No-cost time extensions are not authorized. All work on the project must cease September 30.

A grant recipient whose project is operating successfully and judged to require a follow-on year of funding to complete a specific program may apply for continuation, although it is desirable to forecast a multi-year project at initial proposal time. Continuation projects are requested on an LSTA proposal and application and according to the current filing deadline and award cycle, in the same manner as a new project. They must stand in competition with all other applications for that year and do not receive priority or favor by virtue of continuation.

15. **Reporting and statistics.** Assessing the progress of the project, at least quarterly, assists in its management. Quarterly reporting to the State Library is required of all projects, unless altered by the State Librarian in the grant award letter. Forms are provided to approved projects for a quarterly project progress report in two parts: narrative (LSTA Form 7) and financial (LSTA Form 8). These are to be submitted thirty (30) days after the close of the quarter for all four quarters of the project. A final narrative report (LSTA Form 9) covering the entire grant year's work is submitted following the project's close as an overall evaluation; it also serves as the narrative report for the fourth quarter **(i.e., no separate 4th quarter narrative is required).** Approval of second and subsequent financial claims will depend upon timely submission of required reports.

The project application should include provision for keeping statistics on all significant measures of project activity and success. These statistical reports should be incorporated in, or submitted as attachments to, the required quarterly reports. Statistical measures used in quarterly reports should match those proposed in the application, and should be keyed to stated objectives of the project.

16. **Equipment inventories.** A record of equipment costing over $5,000 (i.e. $5,001 and up) purchased with LSTA funds must be maintained in a local inventory file. Equipment inventory files must be maintained by the grant recipient for each project and duplicate copies sent to the State Library. In general,

equipment purchased with federal funds must be used for project purposes for five years, or life of the equipment, whichever comes first, unless otherwise stipulated. Disposition of equipment is subject to review by the State Library.

17. **Personal memberships and travel.** Use of LSTA funds for personal membership in organizations is not permitted. Use of LSTA funds for out-of-state travel is not permitted, except for routine neighboring state meetings needed to carry out approved project activities.

18. **Requirements for documents.** Federal and state regulations require submission of documents, some with original signatures, in prescribed quantities. Failure to provide the items or copies called for by the required deadlines can invalidate an application. Names of participants in the project must be submitted, including non-library agencies. Signatures will be considered to signify agreement on such matters as responsibility for decisions made regarding the project and authority to carry them out, as well as the disposition of assets, materials, and equipment at the conclusion of the project. Proposals and applications should only be signed by the applicant director/superintendent/principal, unless explicit authority to commit the organization to receive a grant is delegated below that level.

19. **Copyright and royalties.** Original materials produced by a project may be copyrighted by the project or its assignees, and a project may collect and retain fees or royalties from sale of such materials. Any profits or royalties generated beyond cost-recovery must be used for the original purpose of the grant project. However, the federal government and the State of California reserve a royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use the material for their own purposes. For publications the State Library may require a camera-ready or duplication-ready master for this purpose.

Any project involving the development of publications or other original materials must include a plan for their production, distribution, and dissemination as part of the grant application. This plan may be approved as submitted or it may be altered as part of the grant award process.

The project must convey two (2) copies of any materials produced, unless exempted, free of charge to the State Library, by the date of filing the final narrative report.

20. **Publicity**. Grant recipients must ensure the Library Services and Technology Act receives full credit as the funding program and the Institute of Museum and Library Services (IMLS) likewise as the federal source of funds. Publicizing the benefit of the grant and recognizing the funding source are critical in demonstrating program effectiveness to our legislators. Additionally, it is a condition of the LSTA allotment that all press releases and other communications from grantees receiving federal funds shall clearly state the percentage of the total project cost which will be financed with federal money, the actual dollar amount of federal funds, and the portion of the project cost that will be financed by non-governmental sources. This reflects the leveraging of non-LSTA dollars to strengthen our case for LSTA appropriations.

Publications and information releases about the project must credit the Library Services and Technology Act (LSTA). An appropriate statement for a publication or project press release is:

> "This [publication/project] was supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library Services and Technology Act, administered in California by the State Librarian."

As appropriate, this disclaimer should be added:

"The opinions expressed herein do not necessarily reflect the position or policy of the U.S. Institute of Museum and Library Services or the California State Library, and no official endorsement by the U.S. Institute of Museum and Library Services or the California State Library should be inferred."

This credit line on products of a project, such as materials and publicity, is important to foster support from the public and by state and federal funding sources.

21. **Interlibrary loan.** Requests for LSTA support of interlibrary loan activities are not competitive, as these activities are included in ongoing state support under the California Library Services Act and/or Library of California Act.

22. **Inter-library cooperation.** Library cooperation projects are appraised primarily by the service benefit to library users and by demonstrated equitable effort and commitment by all partners. No support for library service may be decreased by any cooperating agency in the event of an LSTA project grant award.

23. **Bibliographic access.** Library materials acquired, collected, or produced through an LSTA grant are considered of potential interest to people throughout California, either because of uniqueness of the items or to offer access at additional locations. To ensure wide access, these materials must be given machine readable cataloging according to national standards and a complete MARC formatted record must be produced for each title so acquired. The records must be made available in one or more of the statewide or national bibliographic database utilities widely used by California libraries.

24. **Statewide database contribution.** All catalog records representing public libraries' resources resulting from LSTA projects must be submitted to the CLSA Data Base by methods enabled under the guidelines prevailing at the time of the grant. If an applicant is not a CLSA participant or access to a cataloging network is unavailable, the State Library should be consulted for assistance in developing an alternative means of collecting the records to meet this requirement.

25. **Deposit at State Library.** In certain projects, grant applicants assemble new collections, preserve materials, prepare publications, or develop innovative bibliographic tools. The State Library will, at its option, request that at least one copy or set be deposited in the State Library's collections to enable statewide public access. (For example, a project might create different products placed in separate locations but the full result is not accessible in a central facility open to the public.) An applicant planning to develop this type of project should discuss the State Library's acquisitions policy and the requirement for submission to the State Library with the assigned State Library consultant during the application stage.

26. **Project close.** All federally funded activity must cease on September 30 of the grant award year and no new expenditures can be generated after that. All funds neither expended nor encumbered by September 30 must be returned by November 15 of the year in which the grant ends. **NO EXCEPTIONS ARE PERMITTED**. For funds encumbered but not liquidated by September 30, projects are allowed a liquidation period of 60 days (to November 30). All encumbrances are subject to review by the State Library. Project directors should consult with their primary consultants prior to making year-end encumbrances. After the 60-day period all encumbered funds which have not been liquidated must be returned to the State Library. The final liquidation report, together with any funds not liquidated must be returned to the State Library by December 15 of the year in which the grant ended. Instructions and a timetable for the close of projects are contained in the financial reporting instructions mailed to grant recipients.

27. **Unspent funds.** Grant recipients should assess their grant award spending progress not later than mid-year to identify funds not likely to be obligated or disbursed for whatever reason, and report that forecast as early as possible to the State Library. It is acknowledged in advance that projects change in the course of the year and that unforeseen or adverse factors affect spending plans. The State Library appreciates candor in this by grantees and does not penalize recipients for identifying and reporting needed financial adjustments. As soon as a recipient knows that it cannot responsibly expend all or a portion of its grant it is important to notify the assigned consultant promptly so that unused funds can be returned and reallocated to other projects in a timely manner. Recipients' cooperation is appreciated.

28. **Audits.** Recipients of awards must be in compliance with Public Law 98-502, "The Single Audit Act of 1984". When audits are performed in accordance with the instructions contained in the Act for funds provided under the LSTA, a copy of the audit report must be forwarded to the State Library LSTA Coordinator.

29. **Special policies for State of California institutions.** In addition to the requirements for all applicants, state institutions must notify the appropriate executive office of their department of their intent to apply for federal funds under LSTA. Such notification must be in writing and include the name of the applicant, a summary of the project purpose, the name of the federal funding program (LSTA), and the estimated amount of funds sought. A copy of this notice must be sent with the application to the State Library.

CALIFORNIA STATE ADVISORY COUNCIL ON LIBRARIES

MEMBER ROSTER

June 2001

James R. Dawe, President
Represents: Public Library Trustees and Commissioners

Victoria F. Fong, Vice President
Represents: Special Libraries

Maurice A. Calderon
Represents: Limited and Non-English Speaking

Fred Gaines
Represents: Pubiic-at-Large

Ed E. Harris
Represents: Economically Disadvantaged

John K. Kallenberg
Represents: Public Libraries

Jane F. Lowenthal
Represents: Public-at-Large

Mary I. Purucker
Represents: School Libraries

Susan Steinhauser
Represents: Public-at-Large

Sally Tuttle
Represents: Public-at-Large

Kim Wang
Represents: Academic Libraries

[Vacancy]
Represents: Handicapped

[Vacancy]
Represents: Institutional Libraries

Advisory Council members are appointed by the Governor and the Legislature. The members also serve as the California Library Services Board. Members may be contacted at:

California State Library
P.O. Box 942837
Sacramento, CA 94237-0001
Tel. (916) 653-6033

JLC jlc/a GUIDE3 LST

U.S. Department of Education
Office of Educational Research and Improvement (OERI)
National Library of Education (NLE)
Educational Resources Information Center (ERIC)

REPRODUCTION RELEASE
(Specific Document)

NOTICE

REPRODUCTION BASIS

☐ This document is covered by a signed "Reproduction Release (Blanket) form (on file within the ERIC system), encompassing all or classes of documents from its source organization and, therefore, does not require a "Specific Document" Release form.

☒ This document is Federally-funded, or carries its own permission to reproduce, or is otherwise in the public domain and, therefore, may be reproduced by ERIC without a signed Reproduction Release form (either "Specific Document" or "Blanket").